

**FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE**
St. John the Baptist Parish, Louisiana

Annual Financial Statements and
Independent Auditor's Report

As of and for the Year Ended
June 30, 2021

CONTENTS

	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report		1
Management's Discussion and Analysis		5
Basic Financial Statements:		
Governmental Funds Balance Sheet/ Statement of Net Position	A	11
Statement of Governmental Funds Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities	B	12
Notes to the Financial Statements		14
	<u>Schedule</u>	<u>Page</u>
Required Supplemental Information:		
Schedule of Revenues, Expenditures, And Changes in Fund Balance – Budget (Cash Basis) and Actual – Governmental Fund	1	31
Other Supplementary Information:		
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	2	32
Justice System Funding Schedule-Receiving Entity	3	33
Other Report Required by <u>Government Auditing Standards:</u>		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.		35
Summary Schedule of Current and Prior Year Audit Findings and Responses	4	37

KEITH M. RIVIERE, CPA 75 Dominican Drive
Suite 206
LaPlace, LA 70068
(985) 652-6029

INDEPENDENT AUDITOR'S REPORT

To the District Public Defender
Fortieth Judicial District Public Defenders Office
La Place, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Fortieth Judicial District Public Defenders Office (the "Public Defender") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Public Defender's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Fortieth Judicial District Public Defenders Office, as of June 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 9 and 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fortieth Judicial District Public Defenders Office's basic financial statements. The schedule of compensation, benefits and other payments to

agency head or chief executive officer and justice system funding schedule receiving entity listed as other required supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation, benefits and other payments to agency head or chief executive officer and justice system funding schedule receiving entity are the responsibility of management and were derived from and directly related to the underlying accounting and other records used to prepare the financial statements. Such information has been subject to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation, benefits and other payments to agency head or chief executive officer and justice system funding schedule-receiving entity are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued a report dated October 28, 2021, on my consideration of the Fortieth Judicial District Public Defenders Office's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Fortieth Judicial District Public Defender's internal control over financial reporting and compliance.



Keith M. Rivere
Certified Public Accountant
October 28, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana
Management's Discussion and Analysis
As of and for the year ended June 30, 2021

The Management's Discussion and Analysis (MD&A) of the Fortieth Judicial District Public Defenders Office's financial performance presents a narrative overview and analysis of the Public Defender's financial activities for the year ended June 30, 2021. Please read this document in conjunction with the additional information contained in the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Public Defender's total net position decreased by \$114,867 or 31 percent over the course of the year's operations.
- Revenues decreased by \$17,305 or 2 percent to \$748,035 while expenses for the year increased by 8 percent or approximately \$61,416.
- The general fund reported a fund balance of \$244,027, a decrease from June 30, 2020 of 32percent.

OVERVIEW OF THE FINANCIAL STATEMENTS

The minimum requirements for financial reporting on the Fortieth Judicial District Public Defenders Office that was established by GASB No. 34 are divided into the following sections:

- (a) Management's Discussion and Analysis
- (b) Basic Financial Statements
- (c) Required Supplementary Information (other than MD&A)

Basic Financial Statements:

The basic financial statements present information for the district as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

- (1) Government-Wide Financial Statements, which include a Statement of Net Position and a Statement of Activities. These statements present financial information for all activities of the district from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information about the district's overall financial status.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana
 Management's Discussion and Analysis
 As of and for the year ended June 30, 2021

(2) Fund Financial Statements, which include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund (a governmental fund). These financial statements present information on the individual fund of the district allowing for more detail. The current financial resources measurement focus and the accrual basis of accounting used to prepare these statements are dependent on the fund type. The district's main governmental fund is the General Fund. The statements in this section represent the short-term financing of general government.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Position
 As of June 30, 2021 and 2020

	<u>6/30/21</u>	<u>6/30/20</u>
Current and other assets	\$287,668	\$360,767
Capital assets	<u>6,782</u>	<u>6,167</u>
Total Assets	<u>294,450</u>	<u>366,934</u>
Deferred Outflows of Resources	<u>-0-</u>	<u>-0-</u>
Current liabilities	43,641	1,292
Long-term liabilities	<u>-0-</u>	<u>-0-</u>
Total Liabilities	<u>43,641</u>	<u>1,292</u>
Deferred Inflows of Resources	<u>-0-</u>	<u>-0-</u>
Net Position:		
Invested in capital assets, net of debt	6,782	6,167
Unrestricted	244,027	359,475
Restricted	-0-	-0-
Total Net Position	----- \$250,809 =====	----- \$365,642 =====

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana
 Management's Discussion and Analysis
 As of and for the year ended June 30, 2021

The district's net position decreased by \$114,867 or 31%, from the prior year primarily due to a decrease in court cost revenue and increased expenditures during the last fiscal year.

The public defender's office does not have any "restricted" net position. The district does have "unrestricted" net position, and those are net position that do not have any limitations on what these amounts may be used for.

Statement of Activities
 For the years ended June 30, 2021 and 2020

	<u>6/30/21</u>	<u>6/30/20</u>
Revenues		
Statutory fines, forfeitures, and court cost	\$465,198	\$534,671
Intergovernmental	51,056	34,454
Charges for services	11,433	8,252
Interest	862	961
Miscellaneous	-0-	-0-
State Revenue	219,486	187,002
	-----	-----
	\$748,035	\$ 765,340
	=====	=====
Expenditures		
Personnel	773,139	727,800
Other Operating	89,763	73,686
	-----	-----
	862,902	801,486
	-----	-----
Net Changes in Net Position	\$(114,867)	\$(36,146)
	=====	=====

During the fiscal year total revenues decreased by \$17,305 or 2%. The total cost of all expenditures increased by \$61,416, or 8%. The decrease in total revenue is primarily due to a decrease in court cost revenue.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana
Management’s Discussion and Analysis
As of and for the year ended June 30, 2021

CAPITAL ASSETS

At June 30, 2021, the Public Defender has invested \$6,782 in capital assets.

	<u>Governmental Activities</u>	
<u>Capital Assets</u>	<u>6/30/21</u>	<u>6/30/20</u>
Equipment & Furniture	\$36,753	\$35,189
Accumulated Depreciation	<u>(29,971)</u>	<u>(29,022)</u>
Net Capital Assets	\$ 6,782	\$ 6,167
	=====	=====

USING THIS ANNUAL REPORT

This annual report consists of a report on the general financial highlighted statements (above), a general report on the entity performance as a whole, and an activities statement on contributing factors affecting the Public Defender’s past and future financial conditions. Other supporting financial statements and comments are enclosed as components to the annual audit as presented by the auditing agent.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The Public Defender is dependent on bail bond fees, forfeitures, and court cost collected in St. John the Baptist Parish for approximately 62 percent of its revenues. The principal funding source consist of payments of court cost by persons pleading guilty to misdemeanor and traffic offenses, which is an uncertain amount that fluctuates from month to month and is entirely unrelated to the District’s workload or expenses. External factors such as reduction in enforcement activities, convictions, assessment of court cost, and effective collection of the amounts assessed, all controlled by others who are the Public Defenders’ legal adversaries within the criminal justice system, could result in some unknown or unknowable reduction of the amount of projected revenues.

Two of the main reasons for the reduction in revenue is due to the Sheriff ceasing participation in the L.A.C.E. ticket writing program and the District Attorney’s use of the pre-trial intervention and diversion programs. The principal funding source was curtailed by the sudden unilateral cessation by the local sheriff of his participation in the L.A.C.E ticket-writing program, in July 2016, despite a 5-year agreement to participate. The resumption of ticket-writing occurred in fiscal year ending June 30, 2018.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana
Management's Discussion and Analysis
As of and for the year ended June 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

However, in fiscal year ending June 30, 2021, COVID-19 caused a reduction in traffic and ticket writing. The local District Attorney takes advantage of the authority to use the pre-trial intervention and diversion program to derive funding for that office, which reduces court costs allocated to the Indigent Defender Fund, and numerous other agencies that receive a portion of court costs collected, resulting in further unknown future revenue.

CONTACTING THE BOARD'S MANAGEMENT

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the district's finances, and to demonstrate the district's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Mr. Richard B. Stricks, District Public Defender of the Fortieth Judicial District Public Defenders Office, 425 West Airline Highway, Suite D, La Place, Louisiana, or telephone, 985-651-6677 (extension 6682).

BASIC FINANCIAL STATEMENTS

FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
Governmental Funds Balance Sheet/Statement of Net Position

June 30, 2021

	General Fund	Other Funds	Total	Adjustments	Statement of Net Position
ASSETS					
Cash and cash equivalents	\$93,736	\$0	\$93,736	\$0	\$93,736
Certificates of Deposit	150,000		150,000		150,000
Receivables	41,882	0	41,882	0	41,882
Inventories					
Other Assets	2,050	0	2,050	0	2,050
Capital assets, net of accumulated depreciation (Note C)				6,782	6,782
Total Assets	\$287,668	\$	\$287,668	\$6,782	\$294,450
DEFERRED OUTFLOWS OF RESOURCES					
	0	0	0	0	0
LIABILITIES					
Liabilities:					
Cash overdraft	\$	\$	\$	\$	\$
Accounts payable	24,197		24,197	0	24,197
Payroll Tax Payable	1,388		1,388		1,388
Accrued Payroll	18,056		18,056		18,056
Escrow Payable			-		-
Long-term liabilities					
Due within one year					
Due after one year					
Total Liabilities	\$43,641		\$43,641		\$43,641
DEFERRED INFLOWS OF RESOURCES					
	0	0	0	0	0
FUND BALANCES/NET POSITION					
Fund balances:					
Reserved for inventories					
Unassigned, reported in:					
General Fund	244,027		244,027	(244,027)	-
Other Funds					
Total Fund Balances	244,027		244,027	(244,027)	-
Total Liabilities and Fund Balances	\$ 287,668		\$ 287,668	\$ (244,027)	\$ 43,641
NET POSITION					
Invested in Capital Assets, Net of Related Debt				6,782	6,782
Restricted				-	-
Unrestricted				244,027	244,027
Total Net Position				\$ 250,809	\$ 250,809

\$ -

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
GOVERNMENTAL FUNDS

Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances/
Statement of Activities
For the Year Ended June 30, 2021

	General Fund	Other Funds	Total	Adjustments	Statement of Activities
EXPENDITURES/EXPENSES					
Public Defender:					
Salaries	\$474,236		\$474,236		\$474,236
Payroll Taxes	33,079		33,079		33,079
Hospitalization and Disability Insurance	44,167		44,167		44,167
Parking/Auto Tolls	-		-		-
Travel/Lodging/Per Diem/Mileage	2,847		2,847		2,847
Advertisements	97		97		97
Workers' Compensation	1,820		1,820		1,820
Malpractic Insurance	7,656		7,656		7,656
Auto/Physical Liability Insurance	2,203		2,203		2,203
Building Lease/Rent	22,480		22,480		22,480
Equipment Lease/Rent	3,166		3,166		3,166
Office Repairs and Maintenance	3,182		3,182		3,182
Telephone/Utilities/Postage/Internet	11,571		11,571		11,571
Dues and Seminars	6,125		6,125		6,125
Law Library/Journals/Subscriptions	3,127		3,127		3,127
Office Supplies	5,598		5,598		5,598
Audit/Accounting Expense	7,700		7,700		7,700
Contract-Clerical	-		-		-
Expert Witness	1,200		1,200		1,200
Investigators	34,500		34,500		34,500
Social Workers	-		-		-
Conflict	300		300		300
Contract-Juvenile Attorneys	1,667		1,667		1,667
Contract Attorneys-all others	174,470		174,470		174,470
IT/Technical Support	16,361		16,361		16,361
Capital Outlay	3,049		3,049	(3,049)	-
Other Operating Expense	2,916		2,916		2,916
Depreciation				2,434	2,434
Total Expenditures/Expenses	863,517	-	863,517	(615)	862,902
PROGRAM REVENUES					
Charges for services	11,433		11,433		11,433
Statutory fines, forfeitures, fees and court costs	465,198		465,198		465,198
Other charges	51,056		51,056		51,056
Net Program Expense (Revenue)	335,830	-	335,830	(615)	335,215
GENERAL REVENUES					
State revenue	219,486		219,486		219,486
Local grants	-		-		-
Investment earnings	862		862		862
Miscellaneous	-		-		-
Total General Revenues	220,348	-	220,348	-	220,348
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES/CHANGE IN NET POSITION					
	(115,482)	-	(115,482)	615	(114,867)
FUND BALANCE/NET POSITION:					
Beginning of the Year	359,509		359,509	6,167	365,676
End of Year	\$ 244,027	\$ -	\$ 244,027	\$ 6,782	\$ 250,809

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

INTRODUCTION

The Fortieth Judicial District Public Defenders Office (the Public Defender) was established in compliance with Louisiana Revised Statutes 15:141-149 and modified by Act 307 implemented August 15, 2007. The purpose of the Public Defender is to provide adequate legal representation of indigent persons charged with commission of criminal offenses and abuse or neglect of children. The Public Defender encompasses the parish of St. John the Baptist, which is located in the State of Louisiana. The Public Defender is composed of a District Public Defender who works under the supervision of the Louisiana Public Defender Office. The Louisiana Public Defender Board governs the Louisiana Public Defender Office. Revenues to finance the Public Defender's operations are provided primarily from court costs imposed by the various courts within the District and State Revenues received through distributions from the Louisiana Public Defender Office.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying basic financial statements of the Fortieth Judicial District Public Defenders Office have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999 and GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*.

2. Reporting Entity

For the financial reporting purposes, in conformance with GASB Codification Section 2100, the Public Defenders Office is part of the district court system of the State of Louisiana. However, the state statues that created the districts also gave each of the District Defenders control over their own operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Louisiana Public Defender Board is financially independent and operates autonomously from the State of Louisiana and is independent from the district court system. Therefore, the Public Defenders Office reports as a reporting entity, not as a component unit and the general purpose financial statements include only the transactions of the Fortieth Judicial District Public Defenders Office.

3. Fund Accounting

The Public Defender Office uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Public Defender functions and activities. A fund is designed as a separate fiscal and accounting entity with a self-balancing set of accounts. The fund of the Public Defender is classified as governmental.

Governmental Funds

Governmental funds account for all of the Public Defender's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the Public Defender. The following is the Public Defender's governmental fund:

General Fund - the primary operating fund of the Public Defender and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose it is expended or transferred in accordance with state and federal laws and according to Public Defender policy.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Measurement Focus/Basis of Accounting
Fund Financial Statements (FFS)

The amounts reflected in the General Fund and Other Funds, of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Public Defender's operations.

The amounts reflected in the General Fund and Other Funds, of Statements A and B, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Public Defender considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues:

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues (court fines) are susceptible to accrual.

Expenditures:

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Public Defender as a whole. These statements include all the financial activities of the Public Defender. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from Public Defender users as a fee for services; program revenues reduce the cost of the function to be financed directly from the Public Defender's general revenues.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Position (Statement A) are as follows:

Net Change in Fund Balance-Governmental Funds		\$ (115,482)
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.		
In the current year:		
Expenditures for Capital assets	\$ 3,049	
Less current depreciation expense	(2,434)	<u> 615</u>
Change in Net position of governmental activities		<u>\$ (114,867)</u>

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Budgets and Budgetary Accounting

The Public Defender’s office follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with the Budget Act of the State of Louisiana, the Public Defender prepares an operating budget for the general fund at least fifteen days prior to the commencement of the budgetary year end. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budget is made available for public inspection for a fifteen-day period prior to a public hearing held to obtain taxpayer comment.
3. The budget for the General Fund is adopted on the cash basis of accounting.
4. The budget is adopted at the public hearing and is authorized for implementation on the first day of the fiscal year.
5. All annual appropriations lapse at year-end.

The following is a reconciliation of the excess of revenues over expenditures on Schedule 1 (budget comparison) with the excess of revenues over expenditures on Statement B for the General Fund:

	<u>General Fund</u>
Excess (Deficiency) of receipts over disbursements – Schedule 1	\$(76,477)
Add:	
+ Receivables at June 30, 2021	41,882
+ Liabilities at June 30, 2020	-0-
Less:	
- Receivables at June 30, 2020	(38,634)
- Liabilities at June 30, 2021	(42,253)
Excess (Deficiency) of revenues over expenditures – Statement B	\$ (115,482) =====

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Encumbrances
 The Public Defender does not use encumbrance accounting.

7. Cash and Cash Equivalents
 Cash includes amounts in demand deposits and time deposits. The Public Defender considers all highly liquid investments with a maturity of 90 days or less when purchased to be cash equivalents. Under state law, the Public Defender may deposit funds in demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

8. Court Cost Receivables
 Receivables include amounts which were due to be received by June 30, 2021, but were not actually received until after June 30, 2021. Collection is assured for receivables for court costs and forfeitures and bail bond fees; these fees are recognized as revenue when earned.

9. Capital Assets
 Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Public Defender maintains a threshold level of \$300 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, fixtures and equipment	5 years

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
Notes to the Financial Statements
June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. Annual and Sick Leave

The Public Defender Office has an annual leave policy for non-lawyer employees and lawyer employees. For non-lawyer employees on the job for less than one year, annual leave/vacation of 8 hours is permitted to be taken each calendar quarter. For non-lawyer employees on the job for at least one full year, annual leave/vacation of 64 hours per year is permitted. In addition, for non-lawyer employees, personal leave (sick) permitted to be taken is 32 hours per year. For staff attorneys and supervising attorneys, attorneys may take personal time off equivalent to 8 hours each month for a total of 96 hours per year. Vacation and personal time has no cash value, may not be carried over to the next calendar year, and may not be redeemed for cash. Leave must be taken or lost.

There are no paid leave provisions for contractors who are denied pay when they miss scheduled court appearances for any reason, including handling a case in their private practice, illness, or vacation.

11. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
Notes to the Financial Statements
June 30, 2021

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. At year end, the Public Defender did not have any borrowings that were related to capital assets.
- b. Restricted net position – Consists of assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt,” or deferred outflows of resources, liabilities, and deferred inflows of resources.

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, governmental fund equity is classified as fund balance. The Public Defender has adopted GASB Statement 54 for the year ended June 30, 2021. As such, fund balance of the governmental fund is classified as follows:

Non-spendable- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- represents balances where constraints have been established by parties outside the Public Defenders office or imposed by law through constitutional provisions or enabling legislation.

Committed- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Public Defender.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 June 30, 2021

Assigned- represents balances that are constrained by the Public Defender's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned- represents balances for which there are no constraints.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Public Defender reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Public Defender reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

NOTE B – CASH

At June 30, 2021, the Public Defender had cash (book balances) as follows:

	Current
	Unrestricted
Demand deposit	\$ 93,736
Time deposits	<u>150,000</u>
Total	\$243,736
	=====

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2021, the district had \$250,403 in deposits (collected bank balances). These deposits were secured from risk by \$250,403 of federal deposit insurance. In addition there is \$90,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Custodial Credit Risk-Is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2021, none of the bank balance was exposed to custodial credit risk.

Interest Rate Risk-The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE C – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2021 is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Furniture, Fixtures, Equipment & Computers	\$35,189	\$3,049	\$(1,485)	\$36,753
Less: Accumulated Depreciation	29,022	2,434	(1,485)	29,971
Net Capital Assets	\$ 6,167	\$ 615	\$ (-0-)	\$6,782

For the year ended June 30, 2021, depreciation expense was \$2,434.

NOTE D – PENSION PLAN

The Fortieth Judicial District Public Defenders Office does not have a pension plan or any other retirement plan for their employees.

NOTE E – OTHER POSTEMPLOYMENT BENEFITS

The Fortieth Judicial District Public Defenders Office does not provide any other post-employment benefits.

NOTE F – LEASES AND COMMITMENTS

The Public Defender originally leases office space under a (5) five year operating lease, which expire January 30, 2023. In May of 2021, the District Defender negotiated a waiver of the office rent for three months (June, July, and August) due to Covid-19 uncertainties. In consideration of the waiver of collections by the landlord, a lease extension was signed for an additional 5 years and expires January 30, 2028. The monthly rent is \$2,050. In addition, the Public Defender entered into an agreement to lease a copier under a five year operating lease, which expires September 14, 2021. The rental payment is \$227.19 per month plus an additional cost per copy/image. The Public Defender also rents storage space under a one year operating lease which expires March 12, 2021. The total rent for the year was paid in total by June 30, 2021. The Public Defender has no other capital or operating leases open at June 30, 2021. For the year ended June 30, 2021, rent expense for office space and equipment totaled \$25,646.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 June 30, 2021

The minimum annual commitments under non-cancelable operating leases are as follows:

Fiscal Year	<u>Equipment</u>	<u>Office Space</u>
2022	455	24,600
2023	-0-	24,600
2024	-0-	24,600
2025	-0-	24,600
2026	-0-	24,600
Thereafter	-0-	38,950
	-----	-----
Total	\$ 455	\$161,950

NOTE G – LITIGATION AND CLAIMS

The Public Defender is not involved in any litigation and is not aware of any claims outstanding that require disclosure in the accompanying financial statements.

NOTE H – CONCENTRATIONS

The majority of revenue earned by the district comes from the Parish of St John the Baptist in the form of bail bond fees, forfeitures, and court cost. The principal funding source consists of court cost by persons pleading guilty to misdemeanor and traffic offenses, which is an uncertain amount that fluctuates from month to month and is entirely unrelated to the Public Defenders Office workload or expenses. External factors such as reduction in enforcement activities, convictions, and assessment of court cost could result in a reduction in revenue.

NOTE I – ECONOMIC FACTORS

The Public Defender is dependent on bail bond fees, forfeitures, and court cost collected in St. John the Baptist Parish for approximately 62 percent of its revenues. The principal funding source consist of payments of court cost by persons pleading guilty to misdemeanor and traffic offenses, which is an uncertain amount that fluctuates from month to month and is entirely unrelated to the District’s workload or expenses. External factors such as reduction in enforcement activities, convictions, assessment of court cost, and effective collection of the amounts assessed, all controlled by others who are the Public Defenders’ legal adversaries within the criminal justice system, could result in some unknown or unknowable reduction of the amount of projected revenues.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

Two of the main reasons for the reduction in revenue is due to the Sheriff ceasing participation in the L.A.C.E. ticket writing program and the District Attorney's use of the pre-trial intervention and diversion programs. The principal funding source was curtailed by the sudden unilateral cessation by the local sheriff of his participation in the L.A.C.E. ticket-writing program, in July 2016, despite a 5-year agreement to participate. The resumption of ticket-writing occurred in fiscal year ending June 30, 2020.

However, in fiscal year ending June 30, 2021, the sheriff either ceased participation in the L.A.C.E. program or reduced participation drastically. COVID-19 contributed to less traffic and less ticket writing. The local District Attorney takes advantage of the authority to use the pre-trial intervention and diversion program to derive funding for that office, which reduces court costs allocated to the Indigent Defender Fund, and numerous other agencies that receive a portion of court costs collected, resulting in further unknown future revenue.

NOTE J – HEALTH CARE AND LIFE INSURANCE BENEFITS

Beginning in January, 2020, all employees of the 40th Judicial District Public Defender Office working 30 hours per week or more were offered coverage on a Group Policy of Health Insurance. The District pays for 85% of the monthly premium for each employee only. Coverage for family members is not paid for by the District. The employee pays for the other 15% through a payroll deduction. There is a 90 day waiting period after commencing employment to be eligible for this benefit.

NOTE K – SUBSEQUENT EVENTS

As described in Note P, the COVID-19 pandemic has impacted the District's fiscal year 2021 and may continue to affect financial performance in the future. In addition, on August 29, 2021, Hurricane Ida caused widespread damage to St. John the Baptist Parish. The District's office space was damaged and the District has rented temporary office space. The financial impact and duration, however, cannot be reasonably estimated at this time.

Management has evaluated subsequent events through the date the financial statements were available to be issued, October 28, 2021, and determined that there were no additional subsequent events requiring disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE L – RISK MANAGEMENT

The Public Defenders Office is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Public Defenders Office has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the year that exceeded the Public Defenders Office’s coverage.

The Public Defenders Office’s management has not purchased commercial insurance or made provisions to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

NOTE M - GOVERNMENTAL FUND REVENUES AND EXPENDITURES

For the year ended June 30, 2021, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:		
State Government		
Appropriations - general	\$219,486	
Appropriations - special		
Revenue sharing		
Grants		
On-behalf payments		
Other		
Total		\$219,486
Local Government		
Appropriations - general		
Appropriations - special		
Grants		
Statutory fines, forfeitures, fees, court costs, and other	\$465,198	
Taxes - millages, sales, special, and other	-	
Criminal court fund		
On-behalf payments		
Condition of Probation	51,056	
Total		\$516,254

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE
 St. John the Baptist Parish, Louisiana
 Notes to the Financial Statements
 June 30, 2021

Federal Government		
Grants - direct		
Grants - indirect (passed-through state)		
Total		
Other Grants and Contributions		
Non-profit organizations		
Private organizations		
Corporate		
Other		
Total		
Charges for Services		\$11,433
Investment earnings		\$862
Miscellaneous		\$0
Total Revenues		<u>\$748,035</u>
Expenditures:		
Personnel Services and Benefits		
Salaries	\$474,236	
On-behalf payments - salaries		
Retirement contributions		
On-behalf payments - retirement		
Insurance	45,987	
On-behalf payments - insurance		
Payroll taxes	33,079	
Other		
Total		\$553,302
Professional Development		
Dues, licenses, and registrations	6,125	
Travel		
Other		
Total		6,125

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

Operating Costs		
Library and research	3,127	
Contract services - attorney/legal	176,437	
Contract services - other	43,400	
Lease - office	22,480	
Lease - autos and other	3,166	
Travel - transportation	2,847	
Travel - other		
Insurance	9,859	
Supplies	5,598	
Repairs and maintenance	3,182	
Utilities and telephone	11,571	
Other	19,374	
Total		301,041
Debt Service		
Capital outlay		\$3,049
Total Expenditures		\$ 863,517

NOTE N – ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

In June 2017, the Governmental Accounting Standards Board issued GASB #87 “Leases”. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than twelve months on the statements of financial position as well as additional disclosures. The implementation of this standard is for reporting periods beginning after December 15, 2020. This standard will be effective for the District’s fiscal year ending June 30, 2022.

The District is currently assessing the impact of this pronouncement on its financial statements.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDERS OFFICE

St. John the Baptist Parish, Louisiana

Notes to the Financial Statements

June 30, 2021

NOTE O – CORONAVIRUS PANDEMIC (COVID-19)

A novel strain of coronavirus has spread around the world, resulting in business, governmental, and social disruption. In March 2020, the novel coronavirus (COVID-19) global pandemic began affecting the District's employees and governmental operations, as well as the United States economy and financial markets. The Louisiana Department of Health requested the postponement of non-essential services from approximately March 19, 2020 until April 27, 2020. This caused a shutdown in the judicial court system. While this disruption was temporary, it did impact the District's operations during 2020. There is a likelihood that this pandemic will continue to affect the District's financial performance in fiscal year 2022 and beyond. The related financial impact and duration, however, cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTAL INFORMATION

FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget
(Cash Basis) and Actual
For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts Cash Basis	Budget to GAAP	Actual Amount GAAP Basis
	Original	Final		Differences Over/(Under)	
REVENUES					
Charges for services	\$ 6,182	\$ 6,182	\$ 11,433	\$ 5,251	\$ 11,433
Statutory fines, forfeitures, fees and court costs	393,439	393,439	462,734	71,759	465,198
Other charges	25,803	25,803	51,056	25,253	51,056
State revenue	204,912	204,912	218,702	14,574	219,486
Local grants	-	-	-	-	-
Investment earnings	900	900	862	(38)	862
Miscellaneous	-	-	-	-	-
Total revenues	631,236	631,236	744,787	116,799	748,035
EXPENDITURES					
Salaries	461,900	461,900	456,180	12,336	474,236
Payroll Taxes	35,335	35,335	33,079	(2,256)	33,079
Hospitalization and Disability Insurance	48,465	48,465	44,167	(4,298)	44,167
Parking/Auto Tolls	-	-	-	-	-
Travel/Lodging/Per Diem/Mileage	6,000	6,000	2,820	(3,153)	2,847
Advertisements	48	48	97	49	97
Workers' Compensation	1,400	1,400	1,820	420	1,820
Malpractice Insurance	7,064	7,064	7,656	592	7,656
Auto/Physical Liability Insurance	1,753	1,753	2,203	450	2,203
Building Lease/Rent	26,590	26,590	22,480	(4,110)	22,480
Equipment Lease/Rent	3,220	3,220	3,166	(54)	3,166
Office Repairs and Maintenance	3,120	3,120	3,182	62	3,182
Telephone/Utilities/Postage/Internet	9,982	9,982	10,777	1,589	11,571
Dues and Seminars	4,105	4,105	6,125	2,020	6,125
Law Library/Journals/Subscriptions	1,800	1,800	3,127	1,327	3,127
Office Supplies	4,382	4,382	3,953	(429)	5,598
Audit/Accounting Expense	8,500	8,500	7,700	(800)	7,700
Contract-Clerical	-	-	-	-	-
Expert Witness	3,000	3,000	1,200	(1,800)	1,200
Investigators	37,200	37,200	31,500	(2,700)	34,500
Social Workers	-	-	-	-	-
Conflict	6,000	6,000	300	(5,700)	300
Contract-Juvenile Attorneys	30,000	30,000	-	(28,333)	1,667
Contract Attorneys-all others	160,000	160,000	160,766	14,470	174,470
IT/Technical Support	1,320	1,800	13,001	14,561	16,361
Capital Outlay	1,800	1,800	3,049	1,249	3,049
Other Operating Expense	2,780	2,780	2,916	136	2,916
Depreciation	-	-	-	-	-
Total Expenditures/Expenses	865,764	866,244	821,264	(2,727)	863,517
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(234,528)	(235,008)	(76,477)	119,526	(115,482)
OTHER FINANCING SOURCES (Uses)					
Total other financing sources (uses)					
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(234,528)	(235,008)	(76,477)	119,526	(115,482)
FUND BALANCE (Deficit) AT BEGINNING OF YEAR	320,025	320,025	320,025	38,634	359,509
FUND BALANCE (Deficit) AT END OF YEAR	\$ 85,497	\$ 85,017	\$ 243,548	\$ 158,160	\$ 244,027

EXPLANATION OF DIFFERENCES:

(1) Receivables at 6/30/20	38,634
(2) Payables at 6/30/20	0
Net increase in fund balance--budget to GAAP	<u>38,634</u>

Schedule 2

FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

Schedule of Compensation, Benefits, and Other
Payments to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2021

Agency Head Name: Richard B. Stricks, District Public Defender

<u>Purpose</u>	<u>Amount</u>
Salary	95,000.00
Benefits - Insurance	224.00
Benefits - Retirement	
Benefits - Other	
Benefits - Payroll Taxes	7,020.00
Car Allowance	
Vehicle provided by government	
Per diem	
Dues	534.00
Travel/Auto Mileage	321.00
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses	
Special meals	

The accompanying notes are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Schedule 3

Cash Basis Presentation	First Six Month Period Ended 12/31/20	Second Six Month Period Ended 06/30/21
Receipts From:		
<i>St. John the Baptist Parish Sheriff, Criminal Court Costs/Fees</i>	202,389	196,485
<i>St. John the Baptist Parish Sheriff, Criminal Fines - Other</i>	26,337	37,524
Subtotal Receipts	228,726	234,009
Ending Balance of Amounts Assessed but Not Received	-	-

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

KEITH M. RIVIERE, CPA

**75 Dominican Drive
Suite 206
LaPlace, LA 70068
(985) 652-6029**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the District Public Defender
Fortieth Judicial District
Public Defenders Office
La Place, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Fortieth Judicial District Public Defenders Office (the "Public Defender"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Fortieth Judicial District Public Defender Office's basic financial statements and have issued my report thereon dated October 28, 2021.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Fortieth Judicial District Public Defenders Office's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fortieth Judicial District Public Defenders Office's internal control. Accordingly, I do not express an opinion on the effectiveness of the Fortieth Judicial District Public Defender's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, identified as findings 21-1(IC) and 21-2(IC), that I consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fortieth Judicial District Public Defenders Office's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Fortieth Judicial District Public Defenders Office's Response to Findings

The Public Defender's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. The Public Defender's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with the enclosed Independent Auditor's Report in considering the entity's internal control and compliance. According, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Keith M. Rivere
Certified Public Accountant
October 28, 2021

FORTIETH JUDICIAL DISTRICT
PUBLIC DEFENDERS OFFICE
St. John the Baptist Parish, Louisiana

Summary Schedule of Current and Prior Year Audit Findings and Responses
For The Year Ended June 30, 2021

Ref. No	Fiscal Year Finding Initially Occurred	Description of findings	Corrective Action Taken	Responses	Name of Contact Person	Anticipated Completion Date
Current Year (6/30/21)						
Internal Control						
21-1(IC)	Unknown	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Richard Stricks	N/A
21-2(IC)	2007	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	The Organization has evaluated the cost vs benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the Organization to outsource this task to its independent auditor, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Richard Stricks	N/A
Prior Year (6/30/20)						
Internal Control						
20-1(IC)	Unknown	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Richard Stricks	N/A
20-2(IC)	2007	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	The Organization has evaluated the cost vs benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the Organization to outsource this task to its independent auditor, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Richard Stricks	N/A